

EXHIBIT 8  
DATE 3-05-07  
HB 805

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**Stephen R. McCue**

**Mary Kelly McCue**

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TO: Members, House Appropriations Committee  
FR: Mary McCue, lobbyist, Directors Association of Human  
Resource Development Councils (HRDCs)

Re: HB 805

The directors of the state's 12 Human Resource Development Councils support funding in the budget of the Department of Commerce for the Mobile Home Replacement/Decommissioning Program.

Background: Prior to 1976 there were no building codes or standards for the constructions of mobile homes. Mobile homes built prior to that time are now more than 30 years old; most are dilapidated and unsafe with extremely high energy consumption and costs.

Need: Montana's housing stock includes nearly twice the national average of mobile homes. There are currently over 28,000 Montana families living in mobile homes that were built before 1976. The majority of persons living in these homes are low-income, with 20% being elderly. Among the poorest of Montana's citizens, these families are often living in unsafe conditions and face rising energy costs.

Program Goal: To permanently remove dilapidated, unsafe, and energy consumptive mobile homes from Montana's housing stock and provide financing that assure persons living in these mobile homes can replace them with safe, decent, energy efficient housing.

Program Strategy: Establish a \$3 million mobile home replacement revolving loan fund to replace pre-HUD Code mobile homes with homes that meet current building and energy efficient standards. Target very low income mobile home owners. Leverage federal funds to assist in this financing. Provide loans at 2% interest rate. Administer the program within the Montana Division of Housing. Deliver programs services through local HRDCs.